

KEY BISCAWAYNE POLICE OFFICERS & FIREFIGHTERS RETIREMENT PLAN

Village Council Chambers

560 Crandon Blvd., Key Biscayne, FL 33149

REGULAR MEETING OF SEPTEMBER 27TH, 2007

1. Call to Order – Chairman Michael Haring called the meeting to order at 5:35 P.M.

Roll Call – Servando Parapar, Secretary, Captain Michael Haring, Chairman, Lt. Jose L. Monteagudo, Cindy Mize (arrived at 5:55 P.M.) and Dr. Robert L. Maggs.

OTHERS PRESENT: Councilman Stephen Liedman, Blake Myton from Trusco, Kara Humphrey from SunTrust, Stephen H. Cypen, Esq., Attorney for the Fund and Joan L. Wall, Administrator.

2. Election Results – Captain Michael Haring from the Fire Department and Lt. Jose L. Monteagudo from the Police Department were both re-elected to serve two year terms commencing October 1, 2007 through September 30th, 2008. Attorney Cypen recommended executing new Oaths of Office if the previous ones had an expiration date.

Cindy Mize could not accept another re-appointment by the Village Council due to increasing travel demands of her business. The City Clerk advised an appointment will be made at the October 9th, 2007 Council meeting. Dr. Maggs' term is not up until January, 2008. Dr. Maggs stated he was interested in continuing to serve on the board.

Servando Parapar's term as fifth trustee is up on September 30th, 2007. Attorney Cypen recommended placing appointment of fifth trustee on the November agenda. Mr. Parapar indicated he was interested in continuing to serve on the board.

3. PRESENTATION – Market/Investment Report – Blake Myton from Trusco. Mr. Myton reviewed the report with the trustees for the quarter ending June 30th, 2007. He stated that so much has transpired since then. Growth has done better than value, with large cap performance exceeding that of small cap in the various investment areas. Only fixed income has remained the same. Fortunately the fund has no sub-prime exposure. The higher quality strategy has certainly paid off. Trusco expects the return for the year ending September 30th, 2007 will be 12%, as September had so far been a very strong month. Two new funds had been added at the recommendation of Burgess Chambers that did not require the approval of a revised custody agreement. They were the SunTrust Retirement High Grade Equity Income

and the STI Classic Mid Cap Value Equity. Both had performed well. The ETF that Burgess Chambers also recommended has done well, up 2%. This will be included as soon as the revised custody agreement was in place.

Both Mr. Myton and Burgess Chambers will attend the November meeting to report on the quarter ended September 30th, 2007

Councilman Liedman stated the Village Council would like a presentation by the fund's professionals at the October 23, 2007 council meeting that would review the past year's performance and the condition of the fund. The trustees suggested asking Burgess Chambers attend this meeting with a report on the performance for the past year. Later next year the actuary could attend a council meeting and report on the actual condition of the fund as it would take time for this report to be prepared. Chairman Haring requested Burgess Chambers be asked to attend and asked if there would be an additional fee for this report to the Village. If so Chairman Haring would like to know the amount to see if the Village would pay for this, rather than the pension fund.

4. Reading and Approval of Minutes for July 26, 2007. Chairman Haring presented the minutes from the previous meeting for approval. Servando Parapar moved to approve. Jose Monteagudo seconded the motion. The motion carried unanimously.

5. Approval of Invoices. Chairman Haring presented the invoices listed on the agenda for approval and payment. Servando Parapar moved to approve payment. Jose Monteagudo seconded the motion. The motion carried unanimously, authorizing payment of the following:

SunTrust, Custody/Investment Fees, Quarter Ending 6/30/07	\$14,969.17
Joan L. Wall, Administrative Fee, 27 ¼ hrs @ \$35 plus expenses	\$ 1,005.49

6. Approval of Refunds of Contributions. Chairman Haring announced the required notarized form from P/O Julian had not been received prior to today's meeting so his request for a refund will be taken up separately.

Chairman Haring presented the refund for F/F James Floyd for approval and payment. Jose Monteagudo moved to approve payment. Servando Parapar seconded the motion. The motion carried unanimously, authorizing payment of the following:

F/F James Floyd, Hire Date 10/3/99, Termination Date 11/1/06	
Contributions \$38,122.50, less 20% WH Tax of \$7,624.50, net check of	\$30,498.00

Jose Monteagudo moved to approve payment of the rollover for P/O James Julian upon receipt of the required notarized termination form in the amount of \$2,980.55.

Servando Parapar seconded the motion. The motion carried unanimously. Joan Wall stated if the required form was not received, the warrant signed by the trustees would be voided.

UNFINISHED BUSINESS

7. a) April 10th, 2007 Letter from Charles Slavin, State Actuary – Response from Steve Palmquist (continued from 5/24/07 and 7/26/07). The trustees reviewed Mr. Palmquist's September 21st, 2007 response. Attorney Cypen advised Joan Wall to answer items #7 and 10 of Mr. Slavin's letter.

7. b) Status of Revised Custody Agreement with SunTrust (continued from 7/26/07). Attorney Cypen reported discussions with SunTrust's attorney had been going on all during the day with SunTrust's attorney, up until thirty minutes ago when he left to come to today's meeting. He felt confident that an agreement had been reached and the matter would be favorably resolved. He would have a document the chairman could sign in a few days.

Kara Humphrey reported she received the agreed upon document by email after her plane landed. She had three copies made, all of which she signed on behalf of SunTrust and delivered to Attorney Cypen. Attorney Cypen stated his office would review the document to determine if it was as agreed upon and have Chairman Haring sign for the fund. A motion authorizing the chairman to sign was made previously, so no action was required today. Kara Humphreys apologized for the delay, stating there had been a number of extenuating circumstances. She requested a copy of the minutes where the board had approved the new investment strategies and a letter of direction signed by the chairman after she received a signed copy of the agreement.

NEW BUSINESS

8. a) Trustee Schools/Conferences

- FPPTA's Trustees' School; October 7 – 10, 2007 at PGA National, Palm Beach Gardens, FL., registration is \$400
- Division of Retirement's 39th Annual Police Officers' & Firefighters' Pension Conference; October 22 – 24th, 2007 at Radisson Hotel, St. Petersburg, FL, registration is free

Servando Parapar stated he was still interested in attending the first day of the Division of Retirement's Trustees' School. Reimbursement forms were included in all trustees' agenda packages.

9. Trustees' Concerns – None.

10. REPORTS

Attorney - Nothing further.

Administrator

- State Premium Tax Funds deposited on 8/29/07
 - \$211,816.37 Fire
 - \$101,803.99 Police
- \$146,622.00 Fire Supplemental (checks to be written by Department of Revenue about 9/21/07). This was more than double what the fund had received last year. Attorney Cypen explained how the supplemental distribution was arrived at by the Division of Retirement. The trustees suggested informing the city clerk to expect this check in the next few days.
- 9/30/07 Expiration of term for Cindy Mize – today is her last meeting. Mrs. Mize thanked the board for the opportunity to serve, stating she had someone in mind who might be interested in replacing her.

Other - Beneficiary Forms completed by current participants was ongoing. After receipt of the year-end report from Randy White, the files would be reviewed to see which employees might be missing a beneficiary form. This information will be provided to Chairman Haring and Lt. Monteagudo as necessary.

11. Input from Active/Retired Members – None.

12. Next Meeting Date – November 29th, 2007/Adjournment. Chairman Haring announced the last meeting of the year would be Thursday, November 29th, 2007. There being no further business before the board, the meeting was adjourned at 6:40 P.M.

Respectfully submitted,

Servando Parapar, Secretary